

Log No. 692-S
Copy # 1 of 4 copies



ELECTRONIC SYSTEMS

974 Commercial Street
Palo Alto, California
DAvenport 1-4175

July 25, 1961

REGISTERED - RETURN RECEIPT REQUESTED

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TO:


Contracting Officer

Subject:

Contract TM-512
Amendment No. 4

} removed &
distributed

Gentlemen:

Enclosed are two executed copies of the amendment extending this contract through 30 June 1962. We regret the overlong delay in returning this to your office, and hope this will have caused no great inconvenience.

Although we have accepted the contract for another year, we find through experience with your contracts, as well as others which are of the same "Factory and Field Service" type, that we occasionally receive requests for services which require so little direct engineering/technician labor or other direct charges as to make it quite unfeasible to submit a billing. As you will realize, however, lack of direct charges by our engineering personnel, in no way reduces the amount of time necessary to follow through on the standard procedure of accepting the order, setting up the necessary internal controls, and subsequent handling by the appropriate staff members for return of the material which we have received for repair or replacement. We hereby request that there be included in the contract for the performance period 1 July 1961 through 30 June 1962, a provision which will allow us a minimum handling charge of \$25.00 for this type of work order request.

The following statement is based on a standard one which appears in several of our service-type contracts, and we would hope that this, or a similar arrangement, would prove acceptable to you for inclusion in this contract.

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"Where the total amount of any Work Order Request issued here-under amounts to less than Twenty-Five Dollars (\$25.00) when determined in accordance with Part III - Consideration and Payment,

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*Included in
Amendment #5*

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reflecting current, approved rates, then the total all inclusive price of such Work Order Request shall be established on a fixed price basis of Twenty-Five Dollars (\$25.00). "

We hope that this will meet with your approval and that we may receive a formal amendment to the contract establishing this as a standard procedure for the remaining contract period. If you wish to discuss this matter further, please don't hesitate to let us know.

We are very pleased to accept this extension of the contract, and to continue our relationship with your organization for another year.

Very truly yours,

Assistant Treasurer

TRP:jb

Encl: As indicated

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